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CENTRAL INTELLIGENCE AGENCY

25X1 REPORT

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1. Roland & Company, also known as the Ping Ch'eng (平成) Company, is at 410 China Emporium Building, 62A Queen's Road, Central, Hong Kong. The telephone number is 25408 and the cable address is "Rolco", Hong Kong. The company was established in September 1949 at 410 Bank of East Asia Building, 10 Des Voeux Road, Central, Hong Kong, where it remained until it moved to its present address in February 1950.
2. The name Roland was taken from a Tientsin firm which was owned and operated by the father of the present manager, who is KUANG P'ei-chi (康培基). KUANG is a Cantonese family well-known in the mining industry in China. The elder KUANG was educated in the United States as a mining specialist and once managed the Kwai Nam mines. As of January 1951 he was still living in Tientsin.
3. KUANG P'ei-chi was born and educated in Tientsin, which is his permanent residence, and studied for six years at Harvard and other institutions in the United States. He was engaged in trading business with Roland & Company in Tientsin until late 1946, when he went to Hong Kong where he has remained. KUANG had no known occupation or business address for two and a half years until Roland & Company was formed in September 1949.
4. The staff of the company numbered between 40 and 50 during peak activity in early 1950 but has been gradually reduced to about 15, including directors and board members. The following is a chart of the organization of Roland & Company as of 1 February 1951. The names printed in red have been dropped from the staff, but were working for the company on 31 July 1950:²

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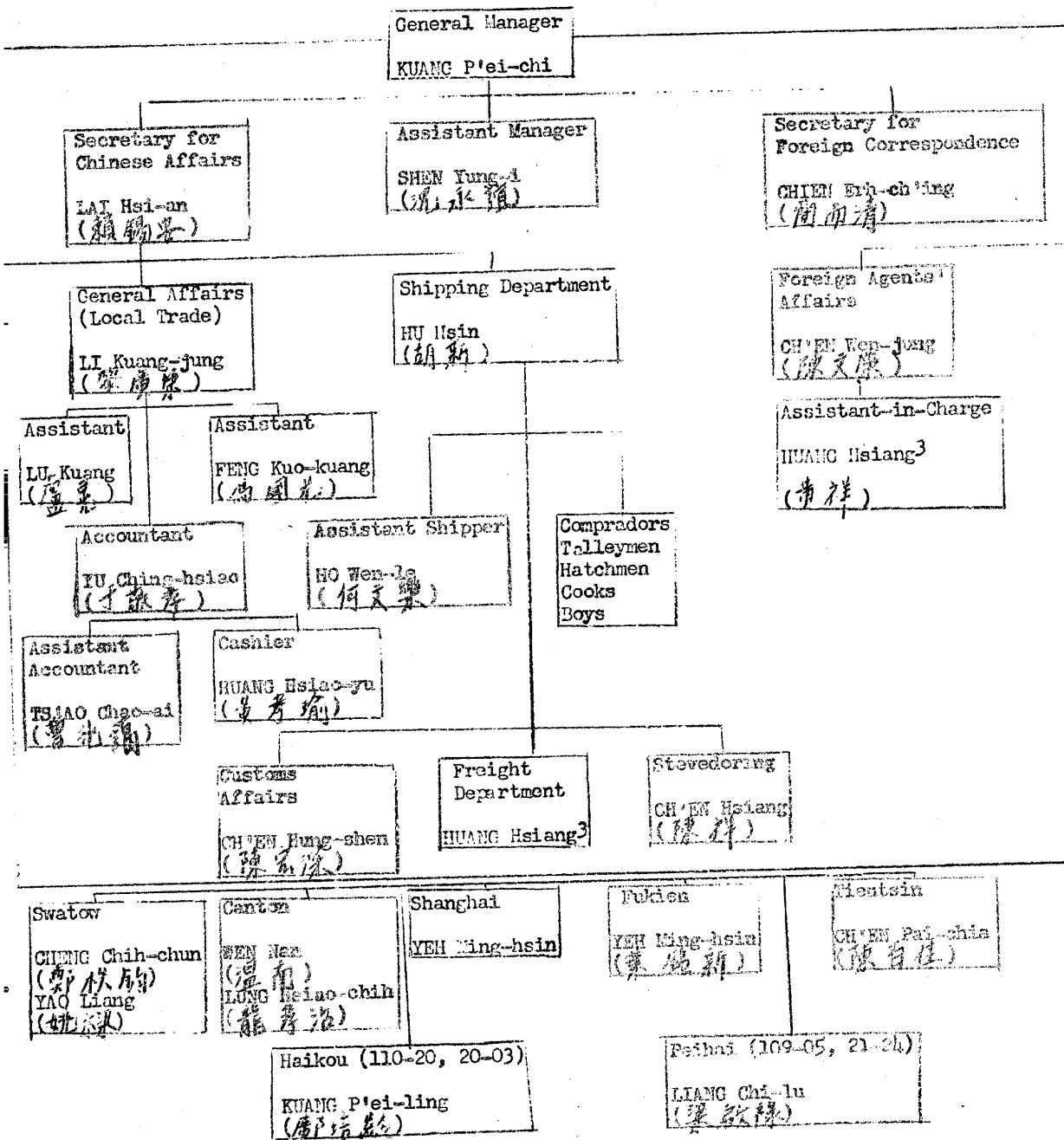
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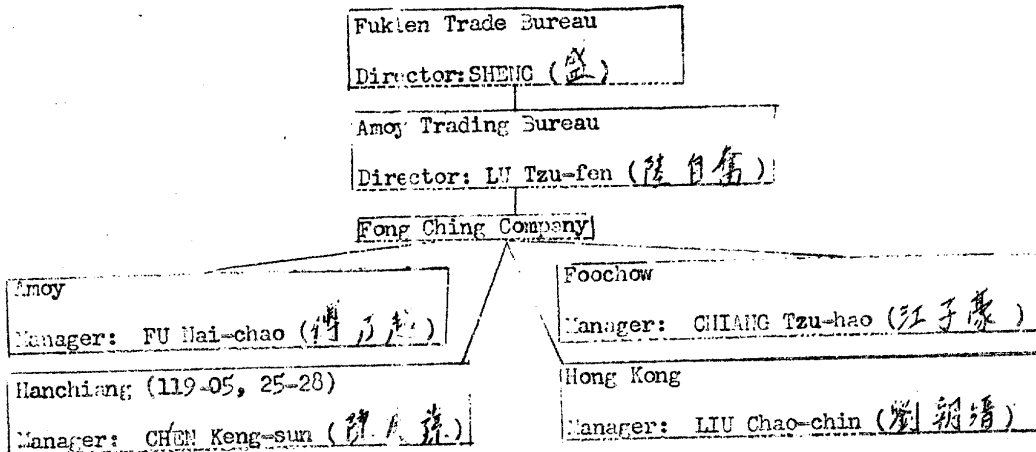
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5. At its beginning the business dealt primarily with brokerage, such as buying soy beans in North China and reselling them to Taiwan. In December 1949 the firm's shipping business began with the chartering of LEONG BEE, which was put on scheduled runs between Hong Kong and Swatow. In early 1950, the CLOVERLOCK and LADY WOLMER were purchased thru the Wheelock Marden Company and schedules initiated from Hong Kong to Swatow, Amoy, Tientsin, and Tsingtao. Chartering of the SAN ERNESTO, LINDA MOLLER, ELSIE MOLLER, JOSEPHINE MOLLER, ROSITA, and ISIAS VISAYAS soon followed. From July 1950 on, the business began to decline, however, and the CLOVERLOCK was sold. Since that time the other ship charters have expired and the firm's other property, the LADY WOLMER, was chartered to the Holly Shipping Company for Hong Kong-Shanghai runs.
6. The company's interests have returned to trading rather than to shipping. It maintains agents in Swatow, Amoy, Hankow, Foochow, Chinchiang (118-34, 24-54), Haikou, Peihai, Tientsin and Tsingtao. Previously Roland had offices in Canton, Swatow, Haikou and Shanghai, but these have been shut down temporarily. The company has excellent business connections with Chinese Communist trading bureaus in Swatow, Haikou, Amoy and Foochow and with affiliated government-operated transportation companies. As of January 1951, about ten motorized junks of 100-ton size were operated by Roland & Company. The engines are diesel, and one of the company's sources of revenue is the covert resale of about 50 tons of diesel oil per week in the Macao area. This oil, which is allocated at Hong Kong, can be turned over at a heavy profit, but each junk contributes only a small quantity to the total in order to avoid discovery when the vessels return to Hong Kong.
7. Up to December 1950, Roland & Company had been an agent for the Fukien Trade Bureau in collaboration with the Fong Ch'eng (Fong Ching) (豐成) Company of Amoy. The Fong Ching Company, which had its Hong Kong branch in the offices of the Fukien Provincial Bank, Ice House Street, Hong Kong, is organized as follows:



8. Relations between Roland and the Fong Ching Company were very cordial from the beginning. Roland became one of the chief suppliers of flour and petroleum products to Amoy and further bettered its position by providing its own ships and securing transportation for other shipments to Fukien, such as cement, raw materials, gunny sacks, ammonia sulphate and rubber tires. It was through the recommendations of Fong Ching Company officials that Roland established branch offices in Tientsin, Tsingtao and Shanghai.
9. The Fong Ching Company was primarily responsible for the arrangement of transportation of cotton yarn, thread, flour, soya and petroleum products between Hanchiang and Tsingtao; of cement from Fukien to Tientsin; and of tea from Han-

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chiang to Tientsin and Tsingtao. The company was frequently authorized to cut red tape; for example, in June 1950 it was known to have had bunkering furnished to Roland's vessels as follows:

at Tientsin: 90 tons of bunker oil to the CLOVERLOCK.
at Hanchiang: 20 tons of high-speed diesel oil to the ELSIE MOLLER.
at Hanchaigai: 20 tons of bunker oil to the CLOVERLOCK.

10. However, Roland's connection with the Fong Ching Company ended in December 1950, when the latter company's office in Hong Kong closed down and was replaced by Yung Tai (Wing Tai) () Company, Victory Building, Lyndham Street, Hong Kong. The Wing Tai Company acts as purchasing and sales agents not only for the Fukien, Amoy and Swatow Trade Bureaus, but also for the Shanghai and Tientsin Trade Bureaus. Personnel of the Fong Ching Company, together with personnel of the Fukien Provincial Bank in Hong Kong, which also closed, were absorbed by the Universal Development Company, Nan Yang Bank and the Wing Tai Company itself. In mid-February 1951, the Yuen Tung Steamship Company had finished moving into the offices vacated by the Fukien Bank.
11. Since the closing of the Fong Ching Company, WU Hai-kuang (吳海光) has directly represented the Fukien Trade Bureau and works through the offices of the Wing Tai Company. He retains final authority over all purchases and transportation and has the authority of over-draft facilities not exceeding HK \$1,000,000, on the Pao Seng Bank.
12. LIU Chao-ching, former representative of the Fong Ching Company in Hong Kong, has been promoted to an undetermined position since the closing down of the firm, but still resides in Hong Kong at 1 Sunning Road, Causeway Bay, Hong Kong, and maintains an apartment at an unknown address on Prince Edward Road, Kowloon. He was the only known representative of the company in Hong Kong, although he drew freely on the staff of the Fukien Bank for assistance.

- 25X1 1. [] Comment. In early October KUANG Ch'i-tsan () (), manager of the Ping Ch'eng Company, Hong Kong, purchased the HSIM CHEN (), 700 tons, and the CHAO LU (), 300 tons, for the Chinese Communists. According to this report, the main job of the company, which was set up by the Amoy Trading Bureau, was to buy ships for the Chinese Communists.
- 25X1 []
- 25X1 2. [] Comment. TAO Tung-hsin (), an employee of Roland & Company, who was in close contact with Communist purchasing agents in Hong Kong.
- 25X1 []
- 25X1 3. [] Comment. Although the characters are the same, it appears from the names actually used by other persons involved, that these are two separate individuals. See Attachment A.
- 25X1 4. [] Comment. The Feng Sheng () Company, first floor Fukien Provincial Bank Building, Hong Kong, managed by LIU Ch'ao-chun (), is an affiliate of the Amoy Trading Board. []
- 25X1 5. [] Comment. In July the Wing Tai Company, an agency of the Chinese Communist Government, was to deliver a 10,000-spindle factory bought by the Manchurian Heavy Industry Bureau. []
- 25X1 6. [] Comment. The Universal Development Company, 18 Ice House Street, is an agent for the East China Import Company of Shanghai. []
- 25X1 7. [] Comment. The Nan Yang Bank, 167 Des Voeux Road, handles most of the

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Chinese Communist commercial transactions in Hong Kong. [redacted]

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25X1 8. [redacted] Comment. This is the Yun Tung Shipping Company, 177 Gloucester Road,
25X1 Hong Kong. [redacted]

25X1 9. [redacted] Comment. The Pao Sang exchange shop was reported to own and operate
the San Yang Commercial Bank on Wing Lok Street, Hong Kong. [redacted]

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